# Statement by Reagan and Key Sections of Remarks by Meese

### Comments by Reagan

Comments by Meese

Last Friday, after becoming concerned whether my national security apparatus had provided me with a security, or a complete factual record with respect to the implementation of my policy toward Iran, I directed the Attorney General to undertake a review of this matter over the weekend and report to me on Monday.

The second of the mean of the mean the white factual respect to me and the White Secretary Meese provided me and the White Secretary Meese provided me and the White House chief of staff with a report on his preliminary findings. And this report led me to conclude that I was not fully informed on the nature of one of the activities undertaken in connection with his initiative. This action raises serious questions of proprieties.

undertaken in connection with injustimistative. This action raises serious questions of propriet.

Five just met with my national security advisers and Congressional leaders to inform them of the actions that I'm taking today, betermination of the full details of this action will require further review and investigation by the Department of Justice.

Looking to the future, I will appoint a spacial review of the Congression of the Congression of the Congression of the Congression of the National Security Council staff in the conduct of foreign and national security policy. I anticipate receiving the reports from the Autoriney General and the special review board at the earliest possible date. Upon the Martine of the Congression of the Congressio

Poindexter Resignation
Although not directly involved, Vice Adm.
John Poindexter has asked to be relieved of
his assignment as assistant to the President
for national security affairs and to return to
another assignment in the Nusy, Lieut. Col.
Oliver North has been relieved of his duties
on the control of the College o

Why don't I tell you what is the situation, and then I'll take your questions.

On Friday alternoon — or Friday at noon — the President asked me to look into and bring together the facts concerning the particularly the implementation of the strategic initiative in Iran and more precisely, anything pertaining to the transfer of arms.

ly, anything perfaining to the transfer of arms.

Over the weekend, this inquiry was conducted. Yesterday evening, I reported to the President, two continued our inquiry and this morning; the President directed: that, we are not to be a support of the president of the continued our inquiry. But able to the Congress; and to the public through this medium this noon.

Let me say that all of the information is not yet in; we're still continuing our inquiry. But he did want me to make available immediately what we know at the present time. What is involved is that in the course of the arms providing the arms to Israel, and Israel in turn transferring the arms — in effect selling the arms. — to representatives of Iran, certain monies which were received in the transaction between representatives of Israel and representatives of Israel and representatives of Israel cand representatives of Israel cand representatives of Israel cand representatives of Israel and made which are opposing the Sandmista Government there.

Transfers of Money

Transfers of Money
In essence, the way in which the transactions occurred was that a certain amount of money was negotiated by representatives outside of the United States with Iran for arms. This amount of money was then transferred to representatives, as best we know, that can be described as representatives of which was the agent for the United States Government under a finding prepared by the President, signed by the President in January of 1986 — and, incidentally, all of these transactions that I'm referring to took place between January 1986 and the present time.

The property of the present time. The president is property of the United States Government for the weapons that were involved plus any costs of transportation that might be jivolved. This money was then repaid by the CLIA to the Department of Defense under the normal procedures. And all governmental funds and all can be present time.

The money — the difference between the money owed to the United States Government and the money received from representatives of transport and the money received from representatives of transport and the money received from representatives of transport and the money received from representatives of trans was then deposited in bank accounts which were under the control of remaining the property of the present time.

Amount of Money Involved.

Amount of Money Involved Q. How much money, sir, was involved?
A. We don't know the exact amount yet.
Our estimate is that it is somewhere between
\$10 and \$30 million.

previously, I believe our policy goals toward fran were well founded. However, the information brought to my attention yesterday convinced me that in one aspect, implementation of that policy was seriously flawed. While I cannot reverse what has happened, I am initiating steps, including those I ve arready to the control of all funds assure that the implementation of all funds assure that the implementation of all funds are some control of all funds and the control of all funds are the control of the con

accordance with my authorization.

Over the past six years, we've realized many foreign policy goals. I believe we can yet achieve, and I intend to pursue, the objectives on which we all agree — a safer, more secure and stable world.

And now, I'm going to ask Attorney General Meese to brief you.

eral Meese to brief you.

Q. What was the flaw?
Q. Do you still maintain you didn't make a mistake, at President?
Q. Did you make a mistake in sending arms to Teheran, sir?
A. No, and I'm not taking any more questions, and — just a second, I'm going to ask Attorney General Meese on what we presently know of what he has found out.
Q. Is anyone else going to be let go, sir?
Q. Can you tell us — did Secretary Shultz —
Q. Is anyone else going to be let go? There have been calls for —
A. No one was let go, they chose to go.
Q. What about Secretary Shultz, Mr. President?
S. Shultz works of go.

was doing one thing, another agency was doing another thing. There was very little paperwork. And to determine precisely what all of the facts were, because he wanted to be sure that he had all of the information about anything that may have occurred in the course of this whole situation. One of the course of this whole situation ourse of that inquiry that this information was found and then was followed out to the conclusions that I've mentioned. O.K.?

Status of Shuit-

Status of Shuitz
Q: Can you tell us who is running national security policy? Can you clear up for the American people, is Secretary Shuitz staying? Who is the new national security adviser, and what are you recommending in terms of possibly restructuring the White House stail?

er, and what are you recommending in terms of possibly restructuring the While House staff?

I a narwer to your questions in order, at the present time, upon Admiral Poindexter actually leaving his post, Al Keel, his deputy, will be the acting assistant to the President for national security affairs. The President has not yet selected a replacement, but he will do so as soon as possible with the president produced to the president of the president pres

secretary sources is remaining in its position as Secretary of State. That has not been
a matter of conjecture or discussion or inand the third part of your question? Of,
what recommendations will we make? We
will make whatever recommendations for
further proceedings come out of it, but more
particularly, the President will be appointing
a small commission which will look into the
procedures and role of the NS.C. staff, and
will make specific recommendations to him
as far as the process for the future. A followup question and then we'll get the rest.

Legal Opinions
Q. We've been told that the President was
operating, from the beginning of this operation in June or July of 1985, on legal opinions
—not written, but oral — from you. One could
ask, then, are you sorry that you gave the adtice that the NS.C. should do this operation,
for—
The only legal opinion that was involved.
At 10 de with the overtice convergence with

or —

A. The only legal opinion that was involved had to do with the routine concurrence with the finding of January 1998. That's the only legal opinion, or legal advice, that was asked for or that was given.

Who Knew About It?

Who Knew About It?

Q. Attorney General Meese, who in the N.S.C. was aware that this extra amount of money was being transferred to the so-called contras, or under their control? Did Admiral Poindexter specifically know? Who else knew? And did the C.I.A. know? Was C.I.A. Director Case aware of this?

A. The only persons in the United States Government that knew precisely about this — the only person — was Lieutenant Colonel

PRESIDENTIAL NEWS CONFERENCE! President Reagan announcing the resignation of Vice Adm. John M. Poindexter as national security adviser and the dismissal of Lieut. Col. Oliver L. North, an aide to Mr. Poindexter.

Q. Did what Colonel North do, is that a crime? Will be be prosecuted?

A. We are presently looking into the legal aspects of it, as to whether there's any criminality involved. Were also looking precisely at his involvement and what he did, so that the conclusions as to whether there's any criminal acts involved is still under inquiry by us.

the conclusions as to wieurer uners any criminal acts involved is still under inquiry by us.

Q. General, isn't it at this time likely, even preferable, from your point of view that a special prosecutor be appointed to examine process. In the conclusion of the process of the

O. If Congress had been notified, don't you think it would have beet unlikely for this — A. No, I think exactly the same thing could well have happened. Because this was something that was unknow't o any of the officials that was unknow't or this in the first had gave authorizatiol for this in the first

O. How did you discover it, sir?
Q. Could you tell me what these funds were used for?
A. I don't know, I don't know that anyone does. They were just provided to the contrast through this bank account and that was the end, so far as we know, of anyone in the United States Governman knowing anything about it.

missal of Lieut Col. Oliver L. North, an aide to Mr. Poindexter.

North. Admiral Poindexter did know that something of this nature was occurring but being the control of the first point of the first poin

to?

A. These are some of the details that we're still going into because we haven't had a chance to interview everyone.

still going into because we haven't had a chance to interview everyone.

Loyalty to President

Q. You made the "Long March" with the President from California, and there are many, many reports that his California friends and supporters do think there should be a real shake-up at he top. Testerday, the damaged the President's position, in a way, publicly, by opposing it, differing and so forth. Do you think that Secretary Shultz has behaved in the proper style and should he stay on? And what do you think should happen? What's happening to the President? A. Well, fleetin, think you know that for the stay on? And what do you think should happen? What's happening to the President? A. Well, fleetin, think you know that for the remover on the conduct or tried to characterize the acts of any other member of the Administration owes it to the President to change that now.

I will say this: I think every member of the Administration owes it to the President door of the Control of the Control of the President to the Administration owes it to the President door that the policies that he has — the policy declisions he has made, as well as to stand by him when something has happened which the President did it know, as in this case, and where he has very courageously. I think, made it immediately available to the American public and to the Congress. And I intend to Ot that. Other people can speak for them selves.

### Cost of the Weapons

Cost of the Weapons
Q. Sir, you said that between \$10 million
and \$30 million surplus funds from the Iranian arms sale may have been diverted to—
Q. The published reports —, suggest that
only \$12 million total was spent for these—
A. That's right.
Q. So what is the total cost of the arms?
A. Well, the difference is it was \$12 million
worth — approximately — worth of arms
that was transferred from D.O. Stocks.
AT That's my—that's the best of our understanding at the present time, yes.
Q. Did you know that they were selling
them at a premium?
A. No one at a command level in the United
States Government did, no.
Poldocker's Actions

### Poindexter's Actions

Polidexter's Actions
Q. In your conversations with Admiral
Poindexter, flow does he explain not having
alerted anyone that this was going on? As
you said, he was aware that something was
happening.
A. Again, I'm not going into any precise
conversations with anyone while the inquiry
is still proceeding. Let me just say that he did
not notify anyone of this, particularly the
President or any of the other members of the
National Security Council.
Q. General, did he quit or was he fired?
A. Admiral Poindexter resigned — or actually, requested reassignment to the Navy —

### What President Knew

What President Koew

Q. Would you please clarify the whole question of the President condoning the third-country shipments prior to slighing this order to his intelligence finding in January Excartly what did the President floory, and where did he know it? Who told him what the details were in terms of Israel shipping arms to Iran, apart from this additional question of shipping arms for hostages?

A. Well, this is still being looked into. The President did not have full details of all of the

President did not have full details of all of the sapects of transactions that foot place prior to the finding. There were — there was at least one transaction that we knyw about in which Israel shipped weapons without any which is smiller nature, although there was probably knowledge on the part of people in the United States about it.

When President Got Défails

Q. Mr. Meese, at what point did the President know? You said he didnt have the full details, What details did he have about those transactions and when did he have about those transactions and when did he have about those transactions and when did he have about the president—this is one of the things, that we're recollecting now. The President and Intelligent and Inte

A. That's my understanding, yes.

Looking for Scapegoat

Q. What's to prevent an increasingly cynical public from thinking that you went tooking for a scapegoat and you came by with this whopper, but it doesn't have a lot to do with the original controversy. I can say is that we have been very careful to fay out the facts for you and for the American public just as rapidly as we've gotten them. Much — might different than we would do in a normal in-quiry or investigation, when we usually wait until the inquiry is complete, but the Prest, and the present that the did dody and that at should appear before you and answer questions. Which I think you will agree is doing everything we can to be sure that there is no hint that anywhing is trying to be conceided. Now, in, they book. Yes.

Q. Mr. Meese, how high does this go? In Yes.

back. Yes.

O. Mr. Meese, how high does this go? Into other words, do you believe, and are we bring, asked to believe, that a lieutenant colonel took this initiative and had these funds transferred, and that only Admiral Poindexter; knew about it? How that only Admiral Poindexter; knew about it? How that only Admiral Poindexter; knew about it? How that only that it is possible to a construction of the colone of the col

State Dept. Role

Of Mr. Meese in your niquely did you determine how much information the State Department has got Not in reference to confirm money, but in the whole respect of this Iran connection. Were they informed or weren't they?

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Q. Was this Colonel North's idea? Was it Colonel North's idea, if we cap bid up the Colonel North's idea, if we cap bid up the Colonel North's idea, if we cap bid up the Colonel North's idea, if we cap the Colonel North's idea in the Colonel North's idea

President.

Q. Is there any evidence to indicate that those bank accounts were set up by the CLA?

A. No, there's no indication at all?

A. No, there's no indication whatsoever. To the best of ur, knowledge, no one in the CLIA?

A. No, there's no indication whatsoever. To the best of ur, knowledge, no one in the CLIA. In the control of the control o

## No Damage, Mrs. Reagan Says

OMAIA, Nov. 23 — Nancy Reagan to day briskly disnisted sugar, but the President had been badly damaged by the growing turnoil in his Administration over the Iran arms affair.

"I don't know how you can be either embarrassed or damaged when you find something has not beet done correctly be not the crist and you correct the next day."

She said her husband did not find out about the secret bank account that was used to send money for the Nicaraguan rebels until "late yesterday afternoom affer the Part appears was conference, Mrs. Reagan talked candiday about the crists in the White House, standing in front of her Air Force plane his afternoon, after giving a speech to a group of young people at Boys Town.

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Q. Why wasn't the President told?
A. The President was told as soon as we found out about it. The President knew nothing about it util I reported it in him. I alerted him yesterday morning. We still had some tall that we had yesterday afternoon.
Q. Is this what you were looking for when you began? Or is this just something that turned up in the course of your weekend investigation?
A. This turned up in the course of the investigation. The first thing that triggered, if you will, an inquiry was the fact that as people been done in a rather compartmentalized way — as people prepared their testimony for the Hill off Friday, there were Certain things where there appeared to be more facts out there than we had already put together. It was a matter, then, of the President requesting me to talk with everyone who had any participation at all, because one agency